

**MINUTES OF THE
TRANSPORTATION, ENVIRONMENTAL QUALITY, NATIONAL GUARD
& VETERANS' AFFAIRS
APPROPRIATIONS SUBCOMMITTEE
Room 25, House Office Building, State Capitol Complex**

Wednesday, January 27, 2010

MEMBERS PRESENT: Sen. Kevin T. Van Tassell, Co-Chair
Rep. Wayne Harper, Co-Chair
Sen. Scott K. Jenkins
Sen. Peter C. Knudson
Sen. Mark B. Madsen
Sen. Luz Robles
Rep. Rebecca P. Edwards
Rep. Neil Hansen
Rep. Neal B. Hendrickson
Rep. Don L. Ipson
Rep. Patrick Painter
Rep. F. Jay Seegmiller
Rep. Kenneth Sumsion
Rep. Carl Wimmer

STAFF PRESENT: Mark C. Bleazard, Fiscal Analyst
Rosemary Young, Committee Secretary

Note: A list of visitors and copy of handouts are filed with committee minutes.

Rep. Harper called the meeting to order at 2:27 p.m.

MOTION: Sen. Jenkins moved to approve the minutes from the meetings of Jan. 12 and Jan. 20, 2010. The motion passed unanimously with Sen. Knudson, Sen. Madsen, Sen. Robles, Rep. Hendrickson, Rep. Painter, Rep. Sumsion, and Rep. Wimmer absent for the vote.

Mark Bleazard, Fiscal Analyst, reviewed the draft agenda for upcoming meetings and discussed a spreadsheet showing fiscal year cash collections to the Department of Transportation from FY 04 to FY 11 (estimated for FY 10 and FY 11) and showing them peaking in FY 07 and FY 08. It was pointed out that appropriation to UDOT is tied to these revenue fluctuations. The Analyst discussed a Budget Brief concerning Debt Service for the State of Utah, pointing out that the bulk of the indebtedness is attributable to UDOT. The outstanding general obligation bond indebtedness as of Jan. 1, 2010 is \$2,299,300,000. This does not include bonds authorized by the Legislature but not yet issued: \$1.58 billion for I-15 and Mountain View Corridor projects, \$555 million for Critical Highway Needs projects, \$43 million for the USU Agricultural building, and \$11 million for other building projects. No money is set aside at present to pay off bonds early.

The Fiscal Analysts' Office does not recommend bonding for \$100,000,000 to put into the revenue stream for FY 2011.

Department of Transportation

The Analyst reviewed the Construction Management Budget Brief noting that this program enables the Department to manage projects from the design stage through completion. The base budget for the Construction Management Division of the Department of Transportation line item for FY 2011 is \$262,624,400, including funding for four programs: \$108,049,800 for Rehabilitation/Preservation whose major activities are the traffic control program, the betterment program, and the reconstruction program; \$85,716,200 for Federal Construction-New, primarily used for reconstruction and capacity increasing projects on the federal highway system; \$5,858,400 for State Construction-New whose focus is state highway projects that have prioritized importance as necessary highways but are not eligible for federal funding; and \$63,000,000 for the Transportation Investment Fund. Of the total amount of \$262,624,400 \$1,685,600 is from the General Fund, \$17,432,800 is from the Transportation Fund, \$152,831,400 is from Federal Funds, \$1,550,000 is from Dedicated Credits, \$63,000,000 is from the Transportation Investment Fund, and \$25,000,000 is from Designated Sales Tax. The Analyst recommends the Legislature consider:

1. A base budget for Construction Management of \$262,624,400 that includes 98% of the FY 2010 ongoing General Fund amount of \$1,685,600.
2. An additional 3% reduction of the FY 2010 ongoing General Fund budget equaling \$51,600, for a total Construction Management budget of \$262,538,400.

John Njord, Executive Director, and Carlos Braceras, Deputy Director of the Department of Transportation, through handouts and a power-point presentation brought the committee up to date on current projects. It was pointed out that nearly all of the Centennial Highway Fund Projects have been completed. About half of the Critical Highway Needs Fund projects are under construction, and some have been completed. Almost half of the "Choke-Point" projects have been completed, some are under construction, and almost a third are in the design phase. Projects in the Transportation Investment Fund are about evenly divided between completed, under construction, and being designed. Most of the projects in the CHF-TIF are under construction at present.

It was pointed out that there is a real challenge to keep ahead of the growth in transportation needs in the state. Utah truly is the "crossroads of the West", and we're seeing an increase in freight primarily from China. The Department's four strategic goals are:

Take care of what we have

Make the system work better
Improve safety
Increase capacity

The Utah County 1-15 corridor expansion was discussed in detail. It was pointed out that it should be done two years ahead of schedule and that most lanes will be kept open except for brief periods. Because of decreased construction costs the final project will be 24 miles with 11 interchanges rather than the originally budgeted 14.8 miles with 8 interchanges. The Department is making a concerted effort to keep the public informed through a project Web site, telephone hotline, and other means. Construction on Mountain View Corridor begins this spring on the first phase which is not a freeway but is the infrastructure which can be expanded over time to a full freeway. Progress on the Southern Parkway was discussed.

Using a graphic it was shown how funding for transportation has increased since about 2000 to peak in 2009, after which there is expected to be a rather sharp decline in funding. In 2004 UDOT eliminated 100 FTEs, and in 2009 an additional 34 FTEs were eliminated, so the organization has shrunk in spite of an increased work load. This has been accomplished by hiring from the private sector for the duration of a project and then letting the people go. At the peak of construction in 2009 \$4,000,000 was being added to the Utah economy per day. Another way of expressing this is that for every \$1 billion spent on transportation, about 30,000 jobs are generated.

Some innovations being used in the Department are: a Diverging Diamond Interchange being built in American Fork; Commuter lanes; Express lanes; Flex lanes; Continuous Flow Intersections; and Bridge construction and placement. So far 17 bridges have been moved, the largest in American Fork. This procedure impacts the public much less. Some better systems in use are a separated grade interchange and movable barriers. Examples of functional efficiencies incorporated are Gaz-ex Avalanche Control and tow snow plows which can plow two lanes at once.

A major goal of UDOT is to have safer roads. The 245 highway deaths in 2009 was the lowest since 1973. Two safety features discussed were cable barriers and rumble strips. A video titled "A Texting Tragedy" was shown and copies were distributed to the committee.

MOTION: Rep. Painter moved to adjourn. The motion passed unanimously with Sen. Jenkins, Sen. Knudson, Sen. Madsen, Sen. Robles, and Rep. Sumsion absent for the vote.

Rep. Harper adjourned the meeting at 4:20 p.m.

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Veterans' Affairs Appropriations Subcommittee
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